



**LIMPOPO**  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**DEPARTMENT OF  
AGRICULTURE AND RURAL DEVELOPMENT**

**2018/19 FINANCIAL YEAR BUDGET VOTE SPEECH  
OF THE DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT –  
VOTE 4  
DELIVERED BY THE MEMBER OF THE EXECUTIVE COUNCIL, MR SEAPARO  
SEKOATI  
TO THE LIMPOPO PROVINCIAL LEGISLATURE**

**DATE: 6 APRIL 2018**

Honourable Speaker, Polly Boshielo

Honourable Premier, Stanley Chupu Mathabatha

Honourable Deputy Speaker, Lehlogonolo Masoga

Honourable colleagues in the Executive Council

Chief Whip of the Majority Party, Falaza Mdaka

Honourable Members of the Provincial Legislature

Leaders of Political Parties present here today

Limpopo House of Traditional Leaders, Led by Kgoshi Malesela Dikgale

Magoshi, Tihosi, Vho-Thovele

Members of the Limpopo Agricultural Advisory Board

Officials of the Department of Agriculture and Rural Development

Officials from the Department of Rural Development and Land Reform and other Departments

Representatives of the Farming Community and Civil Society Organisations

Representatives of the Business Sector and other Sectoral Partners

Members of the Media

Distinguished Guests

Ladies and Gentlemen

This year we celebrate the centenary of the birth of our icon Nelson Rolihlahla Mandela under theme, **“100 YEARS OF NELSON MANDELA: THE YEAR OF RENEWAL, UNITY AND JOBS.”**

Elaborating on this theme, the African National Congress National Executive Committee in the statement issued on the occasion of the 106<sup>th</sup> anniversary of Africa’s oldest liberation movement, had this to say:

*“We shall work to rekindle Madiba’s vision of a democratic society in which all citizens have equal opportunity to determine their own destiny. We shall achieve this not only through strengthening the instruments of representative and participatory democracy; but also by ensuring that people have economic opportunities and the ability to make choices about their own lives.”*

Madam Speaker, we have a duty to deliver on this clarion call to change the lives of our people for the better as envisaged by our forebears in 1955 when they adopted the Freedom Charter in Kliptown, Johannesburg. To shirk this duty would be a betrayal of Madiba’s dream of a better South Africa.

We rise before this august house today to give flesh to Madiba’s dream as we table Budget Vote 4 of the Limpopo Department of Agriculture and Rural Development (LDARD) for the 2018/2019 financial year.

As we go into details of our reflections of the past financial year and projections for the 2018/2019 Financial year, permit me to draw from President Cyril Ramaphosa’s State

of the Nation Address (SONA) delivered on 16 February 2018. I will cite parts of the SONA which reflects on the mandate of Agriculture and Rural Development.

President Ramaphosa said on the occasion:

*“Agriculture presents one of the greatest opportunities to significantly grow our economy and create jobs.*

*“Agriculture made the largest contribution, by a significant margin, to the improved growth in the second and third quarters of 2017.”*

Flowing from the afore-mentioned policy pronouncements, the Department will do what it takes to fully realise the greatest opportunities the sector offers in the Province to contribute to our industrialisation trajectory and sustainable economic growth.

President Ramaphosa also elaborated on land expropriation without compensation. In the words of President Ramaphosa, this motion is a measure to deal with the “*original sin*” of the land having been taken by the colonial and apartheid regimes from black people.

*“This year, we will take decisive action to realise the enormous economic potential of agriculture.”*

*“We will accelerate our land distribution programme not only to address grave a grave historical injustice, but also to bring more producers into the agricultural sector and to make more land available for cultivation.*

*“We will pursue a comprehensive approach that makes effective use of all mechanisms at our disposal.*

*“Guided by the resolutions of the 54<sup>th</sup> National Conference of the governing party, this approach will include the expropriation of land without compensation.*

*“We are determined that expropriation without compensation should be implemented in a way that increases agricultural production, improves food security and ensure that land is returned to those whom it was taken under colonialism and apartheid.*

*“Government will undertake a process of consultation to determine the modalities of the implementation of this resolution.*

*“We make a special call to financial institutions to be our partners in mobilising resources to accelerate the land redistribution programme as increased investment will be needed in this sector.”*

It is no coincidence that land dominates national discourse. This year marks 105 years since the 1913 Land Act and 95 years since the Natives Urban Areas Act. These two pieces of legislation were central to the deprivation of black South Africans of their land, assets and livelihoods. Land expropriation without compensation seeks to redress over a century of land dispossession.

The pronouncements made Premier Chupu Stanley Mathabatha during the State of the Province Address (SOPA) on agriculture and rural development will find further expression during the course of our Budget Speech. Issues raised by the Hon Premier are Fetsa Tlala, support to households' food security initiatives, support to communal and land reform projects and the establishment of Farmer Production Support Units (FPSU).

The 4<sup>th</sup> Quarter Gross Domestic Product (GDP) Report of 2017 published by Stats SA indicates that the South African economy grew by 3.1% in the 4<sup>th</sup> quarter of 2017, following 2% during the 3<sup>rd</sup> quarter. This positive growth has been largely driven by the agricultural sector that has shown resilience and positive growth for the past four quarters of 2017.

The agricultural sector growth was enhanced by strong output of different agricultural commodity sub-sectors such as field crops, livestock and horticulture. The agricultural sector suffered eight consecutive quarters of negative growth from the 1<sup>st</sup> quarter of 2015. The long shrinkage was in the main attributed to drought conditions. The sector has been on a rebound since the first quarter of 2017. After recording an increase in the first three quarters of 2017 with 26.6%, 36.8%, and 41.2% respectively, the sector continued its upward trajectory by recording 37.5% quarter on quarter growth in the economy in the fourth quarter, though with slight plunge by 6.7%. The sector remained, however, the largest contributor to the economy.

Madam Speaker, this indicates that over and above the contribution to food security, this sector has potential to increase its growth, given the necessary support, to contribute significantly to the growth of the economy and create jobs.

Notwithstanding, the challenges the sector is confronted with, such as effects of climate change and rising cost of production.

Before I proceed to provide details of the departmental 2018/19 budget allocation, allow me to first reflect on progress made in terms of the key programmes of the Department that support agricultural production, aimed at facilitating broad-based participation by our previously excluded farmers in the mainstream agricultural economy.

Focus has been on the provision of agricultural infrastructure for primary production and secondary value chain activities. The support has been towards the conversion of unproductive farming enterprises, including irrigation schemes into productive units, linked to Agri-Parks development.

The revitalisation of the agriculture and agro-processing value chain (RAAVC), which is one of the elements of the Nine –point plan, aims to grow the economy and create jobs to give more impetus and emphasis on the agro-industry development and its integration with primary agriculture for maximisation of the potential to increase the viability, profitability and sustainability of production systems, as well as to create enabling opportunities for the participation of smallholder producers in the sector value chain.

To this end, support was provided targeting strategic projects that aim to actualise the RAAVC intent, which focused mainly on requisite infrastructure development support for smallholder producers, coupled with skills development through various training and capacity building programmes. Progress up to March 2018 includes the following:

- Work at the Nwanedi agri-hub in Musina, Vhembe district is progressing well. This Nwanedi agri-hub development is a multi-year project which is implemented over four years, with 2019/20 as the last year of the 1<sup>st</sup> phase of development. A total of 150 smallholder farmers are to benefit at the completion of this phase. The next phase of development will look at another 150 farmers, and planning will commence this financial year.

To date irrigation systems have been completed on 63 farms and these farms are already in production. The pack house is technically completed and will be commissioned during the 1<sup>st</sup> quarter of the 2018/19 financial year.

The pack house has been constructed according to the Global GAP market standards, which will enable certification for export markets.

To date, 72 permanent and 356 short term jobs have been created through this development. On average of 1 215 seasonal jobs are created during planting and harvesting periods.

The 2018/19 financial year would see an additional 39 farms installed with irrigation systems. Support would also include improvements at farm level in line with the Perishable Products Export Certification Board (PPECB)'s audit on phytosanitary measures for GAP certification. At present, the farmers are supplying Tiger Brands as well as informal traders. Some of the traders come from our neighbouring countries of Mozambique and Zimbabwe. The ultimate goal is to expand market opportunities, targeting export markets as well. An amount of R20 million will be spent on the Nwanedi agri-hub development in 2018/19 financial year.

- Notable progress has been made with the development support for farmers' cluster of Gravelotte, Seloane and Priska in the Mopani district. In the past financial year 2017/18 rehabilitation of the 17 km canal to support 50 farmers around Seloane area has been completed. After the cleaning of the Priska canal, more farmers are now getting water from the canal for irrigation. Plans are to further line the canal with concrete to minimize water loss through seepage. Construction of the irrigation system is underway, including protective nets for 5 farms. This is scheduled for completion in the first quarter of the 2018/19 financial year.

Implementation of five irrigation systems has commenced in 2017/18, continuing into 2018/19 with additional 10 sites. The development is projected to create about 300 job opportunities after completion.

The rehabilitation of Masalal Packing facility has commenced in the 4<sup>th</sup> quarter of 2017/18 and completion is expected during the 3<sup>rd</sup> quarter of 2018/19. The upgrades include the adding of vegetable packing lines. This packing facility will also be of Global GAP standards, thereby expanding market opportunities for the smallholder farmers in the area.

It is envisaged that the facility would provide an alternative for the majority farmers in the area and surrounds, some of whom are currently travelling long

distances to pack their produce. It is projected that the facility would create 30 permanent and 50 temporary jobs.

Still within the cluster, a balancing dam and a pump house at Mariveni have been done to enable the provision of the required amount of water for the citrus orchard expansion with an additional 100 hectares. Mariveni project is benefiting 41 farmers, with 32 permanent workers and 180 seasonal workers. Just over R50 million will be utilised in 2018/19 for the whole cluster development.

- Last year we reported to this house that planning for the Tshakuma mango processing facility in the Vhembe district was in progress. In 2017/18 procurement processes were concluded and construction of the facility commenced during December 2017. This project is to establish a facility with a bigger capacity for mango processing into atchar for the Tshakuma Agricultural Cooperative. This Cooperative consists of 12 members who are farmers. After completion this facility will have a capacity to produce 300 tons of processed mango per cycle, an increase from the current 60 tons. The Cooperative would be able to increase their market share. Furthermore, opportunity is created for these farmers to contribute and participate in the value chain.  
The construction of the facility will be completed and commissioned in the 3<sup>rd</sup> quarter of 2018/19 and R9 million would be spent.
- With regard to Matsika development, irrigation infrastructure has been completed for the whole 90 hectares of the irrigation scheme. The scheme has 50 farmers operating as Matsika Agricultural Cooperative. A banana orchard has been established on 50 hectares. Plans and designs for a packing facility have also been completed in the 4<sup>th</sup> quarter of 2017/18. Construction of the facility is expected to commence during the 2<sup>nd</sup> quarter of 2018/19.  
This development is progressing well, with banana crop establishment for the remaining 40 hectares planned for the 2018 planting season.
- Madam Speaker, with Limpopo Province as the second largest producer of potatoes in South Africa, contributing 17% of the national production, the

Department has come up with a multi-year potato development programme for smallholder farmers for commercial production with associated value adding facilities that include potato washing, grading and packaging. Seven production sites have been identified, involving 12 farmers in and around Blouberg, Molemole and Polokwane municipalities.

Irrigation infrastructure development on the 7 sites has commenced, scheduled for completion in 2018/19. It is estimated that once completed, the enterprises would reach production volumes of more than 3 400 tons of potatoes per season, creating about 150 job opportunities per farm per season. This development is in partnership with Potato South Africa and McCain Foods in terms of technical support and markets for some of the farmers.

Infrastructure in terms of irrigation and value adding facility has been completed at Raletjena's farm and the enterprise is in full operation, supplying fresh produce markets nationally. The enterprise is employing 30 permanent workers and on average 150 seasonal workers.

While this progress is noted, we acknowledge that more still needs to be done if the target to grow the provincial agriculture to its full potential is to be realised.

Madam Speaker, the Limpopo Development Plan (LDP) envisions Limpopo as an industrialised competitive and developed Province by 2030 and it is our firm view that agriculture has a critical role to play.

We have noted that whereas our Province is leading nationally in the production of some of the key strategic commodities, such as citrus, avocado, mango, tomato, potato and a second producer of macadamia nuts, current levels of primary agricultural output is insufficient to provide inputs into a large scale and thriving food processing sector.

To this end, the Department and LEDA Agribusiness has developed a plan on the revitalisation of primary agriculture production that should support agro-processing as part of our provincial industrialisation strategy. This plan is centred on the expansion of subtropical fruits, macadamia nuts, vegetables and grain production. Grain production is linked to the red and white meat cluster development in terms of animal feed production and meat value chain.



This revitalisation plan will be the main focus for 2018/19. A process for feasibility analysis and development of comprehensive business plans has commenced for Valley Farms and Gillimburg citrus and it is expected to be completed in June 2018. Plans are also afoot for other identified sites and the completion of the feasibility analysis and bankable business plans is expected by the 4th quarter of the 2018/19 financial year.

Considering the enormity of the task at hand, a need and the urgency to have LEDA Agribusiness Subsidiary fully functional, cannot be overemphasised.

In the same vein, work that has started on the FPSU will be fast-tracked, as the Hon Premier outlined in the SONA. These FPSUs are critical for the effective operation of the Agri-Parks in terms of providing necessary support on input supply, mechanisation, logistics and other technical services. As rural outreach units, the FPSUs are to serve as primary collection and storage as well as mechanization services points to support the Agri-Parks. This is a joint programme with the Department of Rural Development and Land Reform (DRDLR), which is funding the physical infrastructure part and LDARD is responsible for production inputs.

It is our firm view that for Agri-Parks to work, the raw material supply side ought to be strengthened. It is on this basis that our focus as Limpopo had thus far been directed more on primary agriculture production support.

Business plans for 10 FPSUs and designs for the first 6 were completed in 2017/18. The establishment of the first 6 sites will subsequently take place during 2018/19. The sites are Vleischboom in Sekhukhune, Borkum in Capricorn, Masalal in Mopani, Tshakhuma and Tshiombo in Vhemeb as well as Mapela in Watreberg. These sites will potentially support 7 173 farmers.

Procurement processes at the DRDLR for a warehouse and storage facility for the Vleischboom FPSU has been concluded and the contractor is on site, while the facilities for Tshiombo, Masalal and Mapela are at bid evaluation stage.

### **Production support programmes to improve household food security**

Madam Speaker, food security remains key to any nation's sovereignty. For South Africa, the right to have access to food by all citizens is our constitutional obligation, in

line with the provisions of Section 27:1 (b) of the Constitution of the Republic of South Africa.

Although there has been a notable improvement in terms of overall household food security (according to the Stats SA 2015 General Household Survey) we still have people who go to bed without food. The percentage of persons experiencing hunger decreased from 15, 9 in 2008 to 13,1% in 2015. A similar pattern on households with limited access to food occurred, declining from 23, 9% in 2010 to 22, 6% in the same period. It is worth noting that our Province has made a significant contribution to this improvement. Limpopo has recorded the highest number of households with adequate access to food, at 91, 8% more than national average of 77, 2%. We are therefore challenged to strengthen our efforts in order to further reduce our people's vulnerability to hunger.

As the Hon Premier has outlined in the SOPA in February this year, we need to intensify a drive to promote own food production through the Fetša Tlala campaign. Indeed, and we are taking the Fetša Tlala campaign beyond just numbers of hectares cultivated to include support for any initiative at subsistence and smallholder farmer level that aim to improve household food security. The Department therefore has to do things differently to make sure that support is improved and in turn farmers and communities are able to produce food. One of the immediate action is a review of Fetša Tlala, which will be completed in May 2018, and will be processed for EXCO's consideration and approval before the end of this quarter.

Madam Speaker, late and uneven rainfall in Limpopo has affected the 2017/18 summer crop season. A report of the Crop Estimate Committee of the Department of Agriculture, Forestry and Fisheries (DAFF) released on 28 March 2018, shows a significant decrease in the overall commercial hectares planted in the 2017/18 season.

For Limpopo, a decrease on yellow and white maize is recorded at 33 000 hectares in 2017/18 from 64 000 hectares in 2016/17; sorghum at 7 500 hectares from 12 000 hectares and sunflower at 45 000 from 90 000 hectares in the same period.

Similarly, our report on the 2017/18 Fetša Tlala programme shows that with the department's support, farmers and households were able to plant just over 5 000 hectares, from an original target of 13 000 hectares. Had it not been for the late rains,

more hectares could have been planted. The programme has created job opportunities for 300 private tractor operators during the planting season.

Through the Letsema programme, 98 projects comprising 2 579 smallholder farmers, 5 096 subsistence farmers and 26 black commercial farmers were supported on various production activities up to the end of the 3rd quarter of the 2017/18 financial year. A total 5 500 households across the Province that were identified as vulnerable to hunger were also assisted to produce their own food in their backyard gardens. The support was in the form of production inputs such as garden equipment, fertilizers, seeds and seedlings, as well as poultry feed for their chickens.

For the 2018/19 financial year, 8 765 farmers across the three categories, namely 5 901 subsistence, 2 812 smallholder and 52 black commercial farmers will receive support under the Letsema support grant. The grant has been allocated R72, 1 million and will fund production inputs of various enterprise activities and mechanization services. A number of indigent households, to be assisted on backyard food production, will increase to 6 000. This support is expected to assist them with production inputs to enable their participation in various agricultural food security initiatives aimed at reducing their vulnerability to hunger and malnutrition.

Support will also be provided to put 13 654 hectares in production, targeting mainly communal lands and land reform projects, with a budget of R11, 1 million. About R6, 1 million of the grant will be utilized for the Stats SA's Food Security Vulnerability Assessment Survey in the Limpopo Province, in collaboration with DAFF. The purpose of the Survey is to have a province focused survey on food security and vulnerability assessment for Limpopo.

We call for concerted efforts to effectively deal with the challenges of climate change as well as altered land use patterns (competing interests for agricultural land), with potential threat to food production capacity of the Province.

### **Limpopo red meat cluster development**

In terms of the Provincial Red Meat Cluster Development as a catalyst towards sustainable rural livelihoods development through livestock farming, a total of 350 livestock breeding animals have been distributed in 2017/18 through the Nguni cattle loan scheme, which is a partnership between the Department, IDC and the University

of Limpopo. A total of 16 Livestock Farming enterprises across the Province have benefitted. The scheme is geared towards accelerating access to quality animal breeding material to our farmers.

The 350 livestock distributed are the proceeds from the Cattle Loan Repayment Process by farmers who initially benefitted from the Nguni Cattle Loan. These farmers are now “OUR PARTNERS”, contributing meaningfully towards the development and empowerment of their peers in livestock farming.

Madam Speaker, this initiative has made an impact on livestock production in our Province. I would like to share with this House that since the inception of the Nguni Cattle Loan Project in 2006, the Scheme has through the Cattle Loan Facility distributed a total of 3 954 animals, valued at R 26.9 million.

I would like to take this opportunity to announce to our farmers that the Limpopo/IDC Nguni Development Trust has issued out an invitation to the interested farmers to submit applications for the Nguni cattle loan scheme. The applications are closing on the 30th April 2018. I would like to urge our farmers to take advantage of this opportunity to apply and do so in time.

### **Smallholder Horticulture Empowerment Programme**

Madam Speaker, in the quest of improving crop production and intensifying our fight against hunger, poverty and unemployment in the Province, the Department continues to provide requisite advisory services. Major advisory services provided are focused on improving the management of soil fertility and irrigation water, and on production practices for the various crops produced in the Province, more so field and horticultural crops. We briefed this august house during the 2017/18 Budget Speech about the implementation of the Smallholder Horticulture Empowerment Programme (SHEP), an international technical cooperation programme with the Government of Japan. As highlighted in our 2017/18 Budget Speech, SHEP encourages farmers to take farming as a business where a market is obtained before producing. The programme seeks to change farmers' mindset from a '*grow and sell*' mentality to a '*grow to sell*' approach that reduces chances of produce not making it to the market, which is one of the factors contributing to post harvest loss.

The SHEP approach is currently fully implemented in ten sites in the Province with a total of 146 farmers involved. The ten sites are comprised of six in Vhembe District (Dzindi, Rambuda, Dovheni, Makumeke, Mangwele and Madzwororo Irrigation Schemes) and four in Capricorn District (Ratanang Cooperative, Success Irrigation Scheme, Tseakgato Vegetable Farmers and Ramokgopa Farmers). These ten sites are now producing for markets, including retailers such Spar, Pick n Pay and Massmart, as well as Frymax and Pepper Dew International.

The effective implementation of SHEP in our Province required focused capacity development to ensure sufficient supply of expertise to drive the programme. As we had pronounced in 2017/18, two officials of LDARD were sent to attend a course on the SHEP approach in Japan and Kenya during May 2017. The two officials complemented a team of four who had previously been capacitated on the SHEP approach. As a result of this increased capacity, the Department was able to expand the implementation of the SHEP approach beyond Vhembe and Capricorn Districts to include Mopani and Waterberg Districts in 2018/19.

### **Revitalisation of Small Irrigation Schemes**

Madam Speaker, we are hoping to have the SHEP expanding also to other irrigation schemes, as part of a remodelling of the Revitalisation of Small Irrigation Schemes (RESIS) programme.

We do acknowledge that most schemes are still grappling with issues of governance which had actually left some at a stage of total collapse. A turnaround plan is forming part of our overall agriculture revitalisation plan which I have already alluded to.

We would like to applaud farmers of the schemes which were rehabilitated who heeded our call to take ownership of the schemes and make them productive, such as Mapela in Waterberg, Hereford, Phetwane and Elanskraal in Sekhukhune, and Nwanedi and Matsika in Vhembe district. Work at Mogalatjane would resume in 2018/19, after the contractor has abandoned site.

Development at some of these schemes has been linked to our integrated aquaculture production plan. Aquaculture production from the dams on the irrigation schemes

presents a good opportunity for the farmers to have another source of income and for food security as well. Aquaculture is part of the Operation Phakisa for Oceans Economy. As an inland Province which is also water scarce, this integrated production model has been developed to create opportunity for our farmers to participate in aquaculture as part of white meat production. Fish is an import and affordable source of protein.

Aquaculture farming is attracting lot of interest and it is growing in the Province and the country at large. The planned expansion and revitalization of the Turfloop fish hatchery, completion of the fish processing facility at Tompi Seleka and development of irrigation balancing dams into fish ponds and stocking them with the correct breeds of fish will ensure diversified income generation for irrigation scheme farmers.

In 2017/18 six fish dams have been completed at Hereford irrigation scheme in Groblersdal and have been stocked with fish fingerlings. They are now ready for harvest this winter.

Additional dams for Phetwane scheme would be done 2018/19. Plans and designs would be completed this month (April) and procurement process would start immediately for construction to start in the second quarter.

### **Natural disaster management**

Madam Speaker, all the efforts would be no avail, if we do not shift our paradigm towards natural disaster management. Agriculture in Limpopo is prone to natural disaster risks, ranging from droughts, floods, migratory pests such as the Fall Army Worm (FAW), which has a wide host range that includes maize and sorghum; the Tomato Leaf Miner that hit the tomato industry hard, and Oriental Fruit Fly that attacks fruit and vegetable crops, mostly mango, citrus, and fruiting vegetables such as tomato, pepper and cucurbits; as well as animal diseases including Foot and Mouth Disease (FMD) and Anthrax.

The impact of these disasters have been evident in many ways. The past seasons, starting from 2009/2010, our Province has seen significant changes in weather patterns within and between seasons, which resulted in most areas in the Province receiving poor and uneven rainfall distribution with resultant persistent drought

conditions, coupled with severe heatwaves in those areas and floods in some areas. The effect of the drought on agriculture production in the Province and nationally had been widely reported.

Some of the disaster effects take time to redress. The Department is still supporting farmers to deal with the effects of 2012 – 2014 floods that affected farmers in Vhembe and Waterberg, respectively. The relief scheme is ending in 2018/19 financial year, with continuation of repairs and rehabilitation of infrastructure, such as on-farm roads and access bridges, irrigation systems and equipment. An amount of R6.8 million will be used for this work. This will be the completion of the relief scheme of 2013/14.

The changes in weather patterns also created a conducive environment for certain crop pests to thrive. Our experience of exotic pests is that if left unattended, they have potential to can destroy the crop farming in the Province. These exotic pests have established themselves across the whole of our Province with major occurrences in areas where the host crops are planted. Accordingly, the oriental fruit fly and tomato leaf miner are more common in Mopani and Vhembe District as these are major producers of the host crops of these pests. The FAW was reported to occur more in Waterberg District with the rest of the districts affected at various levels. The frequent emergence of these crop pests pose a serious challenge to crop production, food security, sector based job creation and economic growth in our Province.

The first outbreak of the FAW in the Province in 2016/17 highlighted the need for proper monitoring and surveillance systems to be put in place to gather information such as the existence of the pest, its behavior and impact as well as available management strategies. The Department utilized R300 000 in 2017/18 to enhance the provincial surveillance and monitoring system to complement the on-going work by DAFF. FAW is a new pest in South Africa and its behaviour and patterns of infestation are a subject of an ongoing research. Following the intensive control and management interventions in the 2016/17 season, the outbreak during the 2017/18 crop season was not widely anticipated. However, the extent of the outbreak necessitates a much more aggressive management and control efforts. 9 848 hectares were reported and confirmed to have been infested. In response, funds had to be reprioritised after consultation with DAFF for the procurement of requisite pesticides to assist the

affected farmers. An amount of R 9 million was used to procure pesticides to assist farmers to respond to the infestation, including other pests that I have already alluded to.

Madam Speaker, considering the vulnerability of agriculture to natural disasters, the Department has in the second quarter of 2017/18, through a consultative process, developed a “*Comprehensive Agricultural Disaster Risk Management Plan*” that seeks to change our approach and thinking towards disaster risk management. Our approach to disasters has been a reactive one, focusing on post disaster assistance through relief schemes. We would like to thank all stakeholders who participated in the process.

This comprehensive agricultural disaster risk management plan is putting more emphasis on risk reduction and mitigation. It further strengthens institutional and technical capabilities and effective preparedness and response to disasters. We believe that the plan will also improve coordination of stakeholders and proactive planning of responses to the occurrences of recurrent or new disasters.

In 2018/19, we will be taking the plan to stakeholders, including planning units in municipalities for incorporation into their plans. Management of any disaster is a shared responsibility of all levels of government, the farming community, the private sector and civil society. The success of this plan is dependent on a concerted effort by all of us.

### **Natural resources management**

Madam Speaker, good agricultural practices are an integral part of sustainable management of natural resources. It has been proven that sustainable natural resources management does also reduce the degradation of resources such as soil and vegetation, thus minimising the impact of natural disasters.

To address natural resources degradation, through the Landcare Programme the Department had in 2017/18 assisted farmers and communities to fence off the area of 54 kilometres to improve the grazing conditions. In addition, 2 100 hectares were



cleared of alien plants and 14 000 hectares were improved through conservation measures.

This assistance and support will continue in 2018/19 on various activities to combat soil erosion. R12, 6 million has been set aside for this purpose. Activities will include rehabilitation of 15 000 hectares of agricultural land, clearing of 2400 hectares of agricultural land from alien invasive plant species, 130 Landcare awareness campaigns to promote good management of natural resources, and the Greening Project, wherein communities will be encouraged and supported to plant trees as part of care for environment.

### **Veterinary services**

Madam Speaker, a lot of effort was put to keep most animal diseases at bay. The outbreak of FMD around Makuva communal area in Mopani was well managed.

The outbreak was caused by stray buffalo mixing with cattle, it was contained within the area and put under control. This stresses the importance of investing in proper fencing by the game parks as well as for demarcation of the grazing area. The ease of controlling diseases rests in increased efforts for prevention as well as increased cooperation from other stake holders, including the community at large.

As part of control measures, 266 FMD vaccination sessions were conducted in the FMD vaccination area. This is the area commonly referred to as the redline area, which is the area prone to the FMD outbreak.

It is worth noting that our Province still carries the FMD free status for its major part as accorded by the International Animal Health Association (OIE). There are however stringent measures which must be fulfilled to sustain the status and the OIE will from time to time conduct inspections to monitor compliance. The last inspection was during October 2017 to evaluate disease control systems. The identified areas that require improvements in line with the audit outcomes will be rectified in conjunction with DAFF in the 2018/19 financial year. This include in the main livestock movement control

measures, vaccinations and animal branding. An amount of R4, 5 million will be utilized to effect these improvements.

Madam Speaker, the importance of these improvements is for the Province to retain the FMD free status, which is critical for the export of red meat and products. Other important measures to improve on livestock disease management is to have proper animal handling facilities. These facilities are in the form of crush pens and dipping tanks. 27 Animal handling facilities were constructed in 2017/18 financial year. 28 will be constructed in the 2018/19 financial year.

Madam Speaker, livestock farming is one of active economic activities among our rural masses in the Province. Increased trade of livestock boosts their livelihoods and the rural economy and potential exists to grow this subsector to the next level. This has found expression in our plans on red meat cluster development.

Through our recently revived regional cooperation agreements with the Four Northern Regions of the Republic of Namibia, namely, the Oshana, Omusati, Oshikoto and Ohangwena Regions, we will be hosting in the coming week, from the 9<sup>th</sup> to 13<sup>th</sup> April, a delegation from the Republic of Namibia to Limpopo on a programme on livestock diseases management. As we are aware, the Republic of Namibia has one of the strong livestock industries in the region and we believe that this exchange of knowledge and expertise on livestock disease management will go a long way in improving our livestock management practices, and in turn our rural livelihoods.

### **Transformation programmes to promote inclusive participation by women, youth and people with disabilities in the sector**

Madam Speaker, to ensure that we are inclusive in our development approach towards improving participation in the economy, particularly by designated groups of our society, the Department has introduced programmes that aim to create an enabling environment for their participation.

One of the flagship programmes of the Department is the recognition of contribution made by farmers with disabilities in food production and job creation. This is in the

form of an annual programme which creates a platform for farmers with disabilities to converge and dialogue on their involvement and participation in the agricultural sector.

Their contribution is recognised by means of awards. The second annual awards were held in March 2018. These awards are to encourage and recognise the contribution made by this sector of our society in food production, job creation and poverty reduction. Agriculture is perceived as a difficult sector, even for the able bodied. These awards have uncovered an amazing work and contribution made by people with disabilities in agriculture, ranging from school learners to fully fledged farmers. We are proud to be associated with such success.

This initiative is one of its kind in South Africa and it has attracted a lot of interest, to the effect that DAFF has adopted the concept and started a process to make it a national programme.

### **Creating opportunities and support for youth in agriculture**

Madam Speaker, as we explore various avenues to reduce unemployment among our youth in the Province, it is our firm view that an enabling environment should be created for them to become job creators.

We have seen over the years a gradual improvement in the involvement and participation of youth in the agricultural sector. This has been witnessed by a number of youth farmers participating in the department's Young Farmer Awards, which is just a small fraction of the total populace of young people who are involved at various levels of the agricultural value chain.

In 2017/18 financial year, 33 youth projects were supported with various types of resources as part of our youth empowerment programme. Support was in the form of creating water sources (drilling and equipping of boreholes), irrigation systems, farm mechanisation, production inputs, market standards certification and training programmes.

In 2018/19, 410 young people are targeted for support in various agricultural programmes that seek to improve their capacity as farmers, aspirant farmers and several employment initiatives.

This include the placement of 120 agricultural graduates, with associated tools of trade, at various commercial operations on a two year programme, from June 2018, for skills transfer and field exposure. The main objective is to prepare them to become future farmers/entrepreneurs at various phases of the sector value chain.

Madam Speaker, we have earlier outlined plans that are aimed at maximizing the potential of the agricultural sector in the Province. This has to be done in tandem with capacitating our youth not only as future leaders, but to enable their meaningful participation as current players in the sector. R10, 4 million will be utilized for this project. I would like to take this opportunity to thank all the entities that have agreed to work with us on this important cause.

It is so heartening to see efforts made by our young people, especially bursary graduates, taking a challenge to “*nurture the seed planted in them*”.

We have in our midst here a group of five agricultural graduates from Limpopo Province who has founded the Lavrador Investment Primary Co-operative Limited. They are:

- Kwena Thema, with BSc in Animal Health, Bsc in Agriculture: Animal Science and Masters in Animal Science;
- Daniel Matlou with Bsc in Animal Health, Honours in Micro Biology, masters in Biology;
- Lebogang Chokwe, Diploma in Animal Health; Bsc Honours in Agricultural Economics;
- Tumo Lebeya, Diploma Animal Health, Bsc Honours in Animal Science; MSc in Animal Science; and
- Malatji Kenneth, Bsc Agriculture in Animal Health; Bsc Honours in Microbiology; currently studying for Msc in Biology)

Three of these young people are recipients of bursaries from the Department of Agriculture and Rural Development. The Cooperative was established on sharing a common view of creating employment especially for the youth, closing the age gap of farmers and impart agricultural skills to women and youth. The Department found value in what they have started and will be providing support through the Youth

Support Programme, to see their plan to actualisation. We are looking for more young people of your calibre.

### **Support to improve market access**

Madam Speaker, to assist farmers and agricultural enterprises to conform to market standards and to enable them to access formal markets the Department will audit 15 agribusinesses for Market Standards Certification. These agri-businesses include all forms of businesses which operate within the agricultural value chain as food business operators in the following areas: primary production, off and on-farm pack houses, cold storage and distribution.

Market Certification will focus on SAGAP and Global GAP practices that address environmental, economic and social sustainability for on-farm processes and result in safe and quality food and non-food agricultural products.

The audits will be used as a tool to ascertain readiness for certification audits aimed at reducing non-conformance issues raised. Budget to the value of R15, 2m has been set aside in this regard.

### **Revitalisation of agricultural colleges**

Madam Speaker, the two Colleges of Agriculture in Limpopo namely, Tompi Seleka and Madzivhandila, have been reopened with the first students in 2015, the focus being a three year national diploma in Animal and Plant production. The first group of students, 65 in number, will be conferred the National Diploma in Agriculture during the coming autumn graduation season.

In order to ensure quality education and training, the Department has embarked on massive infrastructure construction and renovation at the two colleges, these include student accommodation, lecturing facilities and students practical learning facilities. The upgrading of Information Communication Technology systems, library systems, water and electricity are receiving priority attention. Work will continue in 2018/19 with the completion of the milking parlour, two small stock facilities, two poultry structures, academic block, upgrading of electricity infrastructure, access road at Madzivhandila

as well as the establishment of cropping land, plant nursery and fencing. A budget of R17, 8 million has been allocated for this work.

### **Details of LDARD 2018/19 budget allocation**

Madam Speaker, in summary, the overall budget for Vote 4: Agriculture and Rural Development, is one billion nine hundred and seventeen million rand (R1, 917, 354 billion), which is made up of one billion five hundred and seventy two million (R1, 571, 967) equitable share allocation and conditional grants amount of three hundred and forty five million rand (R345, 387million). The overall budget has increased by 3.3%. Conditional grants amount comprises R256 million Comprehensive Agricultural Support Programme (CASP) and Letsema at R71, 263 million, which has by 7.3% and 5.8% respectively, as well as the Landcare grant at R12, 603 million.

The budget has been allocated as follows:

**Programme 1: Administration**, receives R393, 3 million.

**Programme 2: Sustainable Resource Management**, has been allocated R85, 2 million to provide agricultural support service to farmers in order to ensure that there is sustainable management of agricultural resources. The services agricultural engineering services, natural resource management, land use management services, disaster risk management and spatial information services.

**Programme 3: Farmer Support and Development**, has been allocated R1.153 billion, which constitutes 60% of the department's budget, including CASP and Letsema conditional grants. The allocation is for farmers support programmes and projects, ranging from agricultural infrastructure and equipment for primary and secondary production activities; production inputs; mechanisation support to farmers' capacity building. The catalytic projects that I have outline earlier in this speech are funded from this Programme, including youth support programmes. Included also in this Programme is support for food security initiatives.

**Programme 4: Veterinary Services**, has been allocated R58, 7 million is to render veterinary services, i.e. animal disease control, veterinary public health (promotion of meat safety), certification of animals and animal products for export as well as providing a laboratory diagnostic service which detects disease-causing agents in submitted samples.

**Programme 5: Research and Technology Development**, receives R61,2 million to render agricultural research services and development of information systems with regard to agricultural and natural resource utilization technologies. Crop and Animal research and trials are conducted within the Limpopo agro-ecological environment.

**Programme 6: Agricultural Economics Services**, gets an allocation of R23 million to provide timely and relevant agricultural economic services to the sector in support of sustainable agricultural and agri-business development to increase economic growth. The program seeks to strengthen the enterprises and agri-cooperatives by improving their governance systems and financial management.

**Programme 8: Rural Development**, gets an allocation of R5,8 million, to facilitate and coordinate the planning and implementation of integrated rural development programmes in line with the Limpopo Integrated Rural Development Strategy (LIRDS).

**Honourable Speaker**, as I conclude allow me to express my gratitude for the oversight support and guidance was provided from the Provincial Legislature, the Portfolio Committee on Agriculture and Rural Development, Standing Committee on Public Accounts and Other Committees of the agriculture community at large.

Allow me also to thank the Honourable Premier Chupu Stanley Mathabatha for leadership and guidance from the time of my appointment to hold the fort as our

beloved mother, MEC Happy Joyce Mashamba recuperates. Let us all wish her a speedy recovery.

Madam Speaker, I also express my gratitude to the staff of the Department, led by the Head of Department, Mme Maisela, for their commitment to serve the agriculture community of Limpopo. Your hard work is acknowledged and appreciated.

I now submit the 2018/19 Budget Vote 4 for the Department of Agriculture and Rural Development for consideration by this august house.

Ke a leboga  
 Inkomu  
 Ndo livhuwa  
 I thank you  
 Baie dankie.

**Summary of budget allocation:**

<b>Programme Budget Structure</b>	<b>Amount R'000</b>	<b>% allocation R'000</b>
Programme 1: Administration	393 348	21
Programme 2: Sustainable Resource Management	85 159	5
Programme 3: Farmer Support and Development	1 152 886	60
Programme 4: Veterinary Services	58 654	3
Programme 5: Research and Technology Development	61 166	3
Programme 6: Agricultural Economics Services	23 052	1



Programme 7: Structured Agricultural Education and Training	137 300	7
Programme 8: Rural Development	5 809	
<b>TOTAL</b>	<b>1 917 374</b>	